

GILA RIVER INDIAN COMMUNITY

Executive Office of the Governor & Lieutenant Governor

"Putting Our People First"

Stephen Roe Lewis
Governor



Monica Lynn Antone
Lieutenant Governor

May 16, 2017

The Honorable Ajit Pai
The Honorable Mignon Clyburn
The Honorable Michael O'Rielly
Federal Communications Commission
445 12th Street, SW
Washington, DC 20054

Dear Chairman Pai and Commissioners Clyburn and O'Rielly:

I was recently informed of the enclosed April 28th letter from Chairman Pai in response to a letter from several Members of Congress concerning the need to expand access to broadband and voice services in unserved areas on Tribal lands.

The letter acknowledges that the Commission "recognizes that costs are higher on Tribal lands," and documents steps the agency has taken to address this fact in rules adopted for the Connect America Fund (CAF) and Mobility Fund programs. While these rules have already been adopted, the letter also described an order that was apparently circulated in early February but remains pending. Because the Commission "recognizes that carriers serving Tribal lands incur costs that other rural carriers do not face, resulting in significantly higher operating expenses to serve very sparsely populated service areas," the pending order would "allow carriers serving Tribal lands a greater ability to recover operating expenses, thus improving the financial viability of operating a broadband network serving Tribal lands."

Given the clearly recognized higher costs to serve Tribal lands, I am concerned that this common-sense order has been pending for several months and I urge you to promptly vote on the proposal. In addition, through the continued implementation of the Connect America Fund, including the legacy high-cost mechanisms, I want to encourage you to explore what other steps can be taken to target additional resources to unserved areas on Tribal lands.

Sincerely,

A handwritten signature in black ink, appearing to read 'S. Lewis', with a long horizontal flourish extending to the right.

Stephen R. Lewis, Governor
Gila River Indian Community





FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

April 28, 2017

The Honorable Steve Pearce
U.S. House of Representatives
2432 Rayburn House Office Building
Washington, D.C. 20515

Dear Congressman Pearce:

Thank you for your letter recalling our nation's trust responsibility to Americans living on Tribal lands. One of my top priorities as Chairman is closing the digital divide and accelerating the deployment of broadband to all Americans. Last September, I explained that "... 41% of those living on Tribal lands lack adequate access" to broadband. I also laid out my Digital Empowerment Agenda, which seeks to empower those living in Indian Country, in high-cost rural areas, in low-income neighborhoods, and other Americans that haven't had access to affordable, high-speed broadband Internet access with digital opportunity.

You wrote specifically about a tribal bidding credit in the Connect American Fund (CAF) Phase II competitive bidding process. Although the Commission remains committed to promoting deployment on Tribal lands, the CAF Phase II Auction Order did not include a Tribal-specific preference. *First*, the Commission recognizes that costs are higher on Tribal lands, and we have already incorporated that fact into the reserve prices offered to bidders. By doing this, we are offering more funding in high-cost Tribal areas, whereas a bidding credit would not afford any additional funding to those areas. *Second*, the Commission's decision to score the cost-effectiveness of Phase II auction bid relative to the reserve price will ensure that service providers that place cost-effective bids that commit to serve Tribal lands will be competitive with bids in lower-cost areas. *Third*, the Commission concluded our finite CAF Phase II budget should be stretched to cover the most cost-effective competitive bids on Tribal lands as well as other unserved areas in rural America. The Commission will also be able to observe bidders' behavior in the Phase II auction to determine how to best implement a targeted preference that will encourage deployment in areas remain unserved in the Remote Areas Fund auction.

In addition, I am proud to have proposed to my colleagues, and for the FCC to have adopted, the Tribal Mobility Fund Phase II at the Commission's February 23 meeting. That Fund will direct approximately \$340 million to build out 4G LTE coverage on Tribal lands. I have also asked the Commission's Office of Native Affairs and Policy to coordinate with the Wireless Telecommunications Bureau and the Wireline Competition Bureau to help direct that funding to reach Tribal members in remote areas that would otherwise be without access to next-generation services.

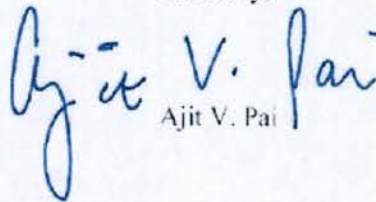
In the same vein, in early February, I circulated to my colleagues an order that would assist carriers serving Tribal lands in deploying, upgrading, and maintaining modern high-speed networks. The order recognizes that carriers serving Tribal lands incur costs that other rural carriers do not face, resulting in significantly higher operating expenses to serve very sparsely populated service areas. The proposal I have put before my colleagues would allow carriers serving Tribal lands a greater ability to recover operating expenses, thus improving the financial viability of operating a broadband network serving Tribal lands.

Page 2—The Honorable Steve Pearce

Additionally, I directed the Universal Service Administrative Company to give additional time to Tribal families living in the remote reaches of the Navajo Nation to comply with a certification deadline for the Lifeline program. I have attached the letter I sent to Mr. Russell Begaye, President of the Navajo Nation, detailing that situation.

These are just some of the Commission's efforts to connect those on Tribal lands. I look forward to continue working with you as we move forward. Please let me know if I can be of any further assistance.

Sincerely,

Ajit V. Pai

Enclosure



OFFICE OF
THE CHAIRMAN

FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

February 16, 2017

Russell Begaye, President
The Navajo Nation
P.O. Box 7440
Window Rock, AZ 86515

Dear President Begaye,

Thank you for your recent letter regarding the challenges that families living in the remote reaches of the Navajo Nation faced with respect to the February 18, 2017 certification deadline for the Lifeline program. I agree with you that the members of the Nation are precisely those who most need the Lifeline program, and that forcing families to travel long distances through severe winter weather to reach a reporting station benefits no one and only endangers their safety.

That's why I have directed the Universal Service Administrative Company (USAC) to delay the certification deadline until long after the winter is over—until June 1, 2017. This additional three-and-a-half months is, I hope, sufficient for the Navajo Nation Telecommunications Regulatory Commission as well as Smith Bagley, Inc. d/b/a Cellular One to work with subscribers to complete the federal verification process. USAC staff and Commission staff have assured me that they stand ready to aid that process however they can.

Respectfully,

Ajit V. Pai
Chairman

P.S. Mr. President, I look forward to working with you on FCC-related issues involving the Navajo Nation. Please don't hesitate to get in touch if you would like to discuss.